

4 February 2011



Polo Resources Limited

("Polo Resources", "Polo" or "the Company")

Holding in Caledon Resources plc

Polo Resources Limited (AIM and TSX: POL) is pleased to announce that further to the announcement on 13 January 2011, the Company has subscribed for 21,226,324 new ordinary shares of Caledon Resources plc ("Caledon") at 90p per share in the second tranche of a conditional placing by Caledon (the "Placing").

Repayment of loans of £14.5 million and AUS\$4 million due from Caledon to Polo on 28 February 2011 (the "Loans"), together with associated fees, costs and interest, has been set off against the amount due from Polo to Caledon under the Placing. Polo subscribed for 21,226,324 shares in the Placing resulting in a net outlay by Polo of £805,745.60 after set off of the Loans. Following the successful conclusion of the Placing, Polo now holds 83,311,520 shares in Caledon representing 29.9 per cent of the enlarged issued share capital of Caledon together with £2.5 million of Caledon's 8.5% unsecured Convertible Loan Notes 2010.

Commenting on the successful placing, Neil Herbert, Executive Co-Chairman and Managing Director of Polo Resources said:

"The board of Polo Resources is pleased to have increased its stake in Caledon. The conversion of the loan into equity and the further subscription of shares in the placing reaffirm our commitment to Caledon and demonstrates our continued support. Additionally, the successful conclusion of the Placing provides Caledon with the financial foundation to take the Company forward."

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ABOUT THE COMPANY

Polo Resources is a natural resources investment company focused on investing in undervalued companies and projects with strong fundamentals and attractive growth prospects. The Company will primarily invest in companies with producing assets and/or resources and reserves that have been verified under internationally recognised reporting standards. For complete details on Polo Resources: www.poloresources.com.

CAUTIONARY STATEMENT

The AIM Market of London Stock Exchange plc does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. All statements, other than statements of historical fact, in this news release are forward-looking statements that involve various risks and uncertainties, including, without limitation, statements regarding potential values, the future plans and objectives of Polo Resources Limited. There can be no assurance that such statements will prove to be accurate, achievable or recognizable in the near term.

Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Polo Resources Limited assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.